

ANNUAL REPORT OF THE EIC SUBCOMMITTEE
ON INDUSTRIAL MACHINERY AND EQUIPMENT
FISCAL YEAR 1965

A. Activities of the Subcommittee During Fiscal Year 1965

The Industrial Machinery and Equipment Subcommittee held no formal meetings during Fiscal Year 1965.

B. Evaluation of the Role of the Subcommittee

In recent years the CIA has done an increasing share of the economic intelligence research performed by the Community on the civilian machinery industries of the Communist countries. There has been little or no need for Subcommittee action on routine matters such as agreed basic statistics and the review of substantive reports.

C. Future Programs of the Subcommittee

The major justification for the continuing existence of the Subcommittee has been maintaining the potential for inter-Agency action if the need arose. Experience has shown, however, that such inter-Agency coordination can be just as effectively handled outside the EIC structure. For example, the US machine Tool Exchange, initiated in 1959-60 by the Subcommittee, was re-initiated and realized in 1965 through the efforts of an inter-Agency working group outside the EIC.

Recently the Department of Defense has proposed that this Subcommittee, among others, be abolished. The Subcommittee Chairman believes that a realistic appraisal of current responsibilities for economic intelligence on industrial machinery within the Community strongly suggests that the Subcommittee has outlived its usefulness.